



# THE INDUSTRIAL EVOLUTION OF INDIA IN RECENT TIMES

BY

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## NOTE TO THE THIRD EDITION

A NUMBER of statistical tables have been enlarged and some new matter has been added in the last chapter to bring the book up to date. Otherwise no important changes have been introduced in this edition.

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D. R. GADGIL

## PREFACE TO THE SECOND EDITION

ONLY a few changes, mostly of an unimportant character, have been made in the reprinting of the first edition. I have omitted the Bibliography as it was already disproportionately long and would have become much longer if I had tried to bring it to date.

It was necessary in bringing out a second edition to continue this sketch of Indian Industrial Evolution to the present; and I have done this by adding a new chapter dealing with all aspects of the period after 1914. I have chosen this course, as to incorporate the new material at various places in the old chapter would have entailed too great an overhauling of the original text. The extent, then, of the modification of conclusions, etc., necessitated by the events of the War and post-War periods, is indicated in the new additional chapter, the main body of the work being still a sketch of evolution up to 1914.

I have to thank many friends for help in the preparation and printing of this edition; amongst these, I must make particular mention of Mr. S. R. Deshpande, B. Litt. (Oxon), of the Bombay Labour Office. He has rendered me invaluable service by bringing to my notice various publications and by making many valuable suggestions and criticisms.

## PREFACE TO THE FIRST EDITION

THE work now published was first written as a thesis for the degree of Master of Letters of Cambridge University. It is printed here—except for a few verbal alterations, almost in the same form as the thesis. What has been attempted in the

following pages is a sketch of the economic history of India from the fifties of the last century to the beginning of the War in 1914. I have not brought this sketch up to date, mainly because of the fact that the shock imparted by the War to the economic equilibrium of the world has been very great; and the conditions obtaining even to-day are not normal enough to enable us to measure accurately the effects of the events of the last decade.

The subject is a wide one; and yet the only dramatic event in this economic transition is, perhaps, the decline of the old handicrafts. The collapse of these was indeed sudden and complete. In other respects the events move on with a slow pace and a dull monotony. The most considerable change has been in the scope and methods of commerce—a change brought about by the great development of the methods of transport, especially since the fifties of the last century. This great development of transport facilities during the latter half of the nineteenth century has, indeed, been put forward as a reason for the slow and one-sided progress of the industrial evolution in India. It might well be argued that a less rapid spread of the means of communication might have given a breathing-space to the old handicrafts in which to readjust their organization and their methods to the new conditions. On the other hand, it might be said that this would have meant only stagnation. In the domain of agriculture the most considerable change has been the commercialization of agriculture. But the really serious aspect of the question is the problem of population. The burden on land seems, if anything, to be increasing, as is evidenced by the steady proportion of the food-grain area in the total area cultivated, in spite of the rapid increase, during the last few decades, in the area of land under the plough. This fact also saliently brings out the close connexion between agricultural and industrial prosperity, and the necessity of a greater impetus to the growth of industries for relieving the pressure on land. The chief progress in the industries was made by two factory industries and one plantation industry. Otherwise the progress is small, disconnected and decidedly one-sided. It must be here pointed out that we have no reason to believe that the economic conditions obtaining in India are very different from those which

obtained in the west in former times. I have tried to show, especially in the remarks about the scarcity of factory labour and in the chapter on the organization of urban industries, that the lines of evolution have been the same as have been noticed in most countries of the west. The future is not so rosy as one would like to believe. A sudden growth of industries, such as took place in many European countries during the nineteenth century, seems improbable. The progress will be slow. No big industries requiring complicated machinery or a thorough use of by-products are likely to spring up. The chief direction of the progress will be that of the accessory industries and industries chiefly connected with agricultural operations or with the further working up of raw agricultural produce grown in the country.

The subject I have chosen is a very wide and a difficult one and I found it impossible to treat it with any fullness within the space usually permitted for a thesis. Consequently, I have had to omit many important aspects, e.g., the growth of banking, from consideration, and also to be satisfied with a mere mention of many other questions. I have attempted to sketch briefly the course of recent economic history, and to estimate the nature and extent of the changes in organization of Indian agriculture and industry. I can lay no claim to any novel views or even originality of treatment. My only excuse for embarking upon such a difficult task is the almost entire absence of any works on the recent economic history of India; and I shall feel amply repaid if this work induces some able student to take up this neglected but all-important question.

I cannot fully express in words what I owe to Mr. H. D. Henderson of Clare College, Cambridge. It was entirely owing to his kind encouragement that I undertook the work, and his criticism and suggestions have always been of the greatest value. I have likewise to thank Mr. W. S. Thatcher of Fitzwilliam Hall for some valuable suggestions. My thanks are also due to my friend, Mr. J. V. Joshi, for his help with regard to the publication of this work.



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